



NHRS Bulletin Board



NEW HAMPSHIRE RETIREMENT SYSTEM

A Newsletter for NHRS Participating Employers

Number 27 • July 2005

Change in Employer Normal Contribution Rates *New Rates Effective July 1, 2005*

The employer normal contribution rates have changed, effective July 1, 2005. (Refer to the 2005-2006 rates, listed below.) Employers should apply the new rates to wages *paid* on or after July 1, 2005, even if those wages were earned for time actually worked by an employee prior to July 1. The rates for the *District Share* and *Employer Share* must be applied to the covered payroll for each respective membership classification.

Confirmed by the NHRS Board of Trustees, the employer normal contribution rates have been certified in accordance with the provisions of RSA 100-A:16,III, the June 30, 2003 Actuarial Valuation, and the 2005/2006 Forecast Valuation.

Please refer any questions regarding the new rates to Douglas Smith, Business Administrator, who can be reached by phone at 603-271-3351 Extension 237, or by email at dsmith@nhrs.state.nh.us.

EMPLOYER NORMAL CONTRIBUTION RATES

Effective 7/1/2005 – 6/30/2007

GROUP I	Rate Effective 7/1/03-6/30/05	Rate Effective 7/1/05-6/30/07
Employees	5.90%	6.81%
Teachers		
District Share	2.64%	3.70%
State Share	1.42%	2.00%
Total	4.06%	5.70%
GROUP II		
Police		
Employer Share	7.87%	9.68%
State Share	4.24%	5.22%
Total	12.11%	14.90%
Fire		
Employer Share	13.44%	14.36%
State Share	7.24%	7.73%
Total	20.68%	22.09%

New Public Information Officer at NHRS

The New Hampshire Retirement System welcomes Kim France, who has returned as the Public Information Officer. Kim served as the Public Information Officer from 1994-2000. Kim replaces Kate McGovern, who is pursuing her Doctorate Degree.

Kim is responsible for developing and delivering public information programs and services, including publications, workshops and training seminars. Kim France can be reached by phone at 271-3351 x252, or by email, kfrance@nhrs.state.nh.us.

Legislative Update

House Bill 210, Laws of 2005, reduces the number of years which inactive members may leave their funds in the New Hampshire Retirement System. (An inactive member is someone who no longer works in a NHRS – covered position but still has his/her funds in NHRS.) Currently, members who are not vested (10 years of creditable service) and who terminate their NHRS – covered employment may leave their contributions in NHRS for up to six years, during which time the contributions will be credited with interest (currently 9.0 %.).

Effective June 30, 2006, inactive members who are not vested may leave their funds in NHRS for up to two years, not six years. Inactive members whose funds have been in NHRS for two years or more as of June 30, 2006, will be required to withdraw their contributions with interest, unless they are vested.

A pamphlet about NHRS death benefits has been included with this newsletter and an instruction sheet. The pamphlet summarizes the benefit payable to a beneficiary when a member dies prior to retirement. Please remind your employees to keep their NHRS beneficiary designation up to date.

Important News from the ERS Department

Vouchers and Checks Must Match

When reporting your employees' contributions and sending in the respective payments, please verify that the total amount on the voucher matches the amount of your check. A voucher represents the total of all *employee* contributions, additional contributions, *employer* contributions and reporting penalties paid for a particular reporting period.

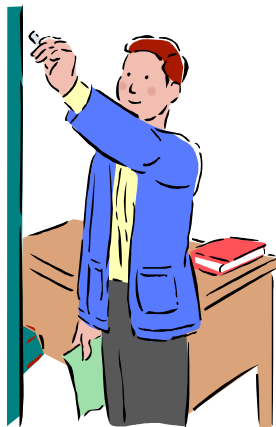
Employee contributions and additional contributions must be itemized according to membership plan (for example, "teacher – Pol. Sub.") and reported separately on the voucher. Penalties should be listed in the "*Payment Penalty*" section along with the voucher number associated with the reporting period that was paid late. *Employer* or "normal" contributions must be itemized according to membership plan and detailed in the "*Other*" section.

Please be sure to verify that the total amount of *employee* contributions, *employer* contributions and penalties paid on the voucher matches the amount of the check you are remitting. If you have any questions, please contact the ERS helpline at 271-3351 x285, or one of the following ERS staff members:

Kathy Roberge x227	Andrea Flanders x267
Sue Harkins x273	Robyn Wells x 263
Joy Oley x269	Pam Hopkins x287

Teachers Receiving Pay in July and August

Some teachers and other school district employees choose to receive their salary over a 12-month period instead of the standard "school year". That means that they will receive some of their 2004-2005 pay in July and August. Employers must apply the new employer contribution rates, effective July 1, to those earnings actually paid during July and August, even though the wages were earned prior to July.



Late Payments



Effective with all remittance reports received after 8/15/05, NHRS will strictly enforce the provisions of RSA 100-A:16, V and Administrative Rule Ret 303.01 pertaining to contribution remittance reports. Ret 303.01 is shown, in part, below.

Ret 303.01 Contribution Remittance Reports.

- (a) All member/employer contributions shall be remitted to the New Hampshire Retirement System monthly. Remittance reports and checks shall be due in the retirement system by the 15th of the month for the previous month's contributions. Any member/employer remittances received and postmarked after the 15th of a month shall be assessed interest as provided in subparagraph (b).

Both remittance reports and checks must be submitted by the 15th of a month. Delinquent penalties will be assessed on contributions not remitted by the deadline!

To ensure that payments and remittance reports are in balance, and that contributions to individual member accounts are posted in a timely manner, it is important that both payments and remittance reports arrive by the 15th of a month.

Those employers who transmit their monthly reports via XML or Web reporting will be advised of late payments through notifications generated by ERS. Employers reporting via "pre-lists" will be notified in writing should any delinquent penalties become due.



NHRS strongly encourages employers to be diligent about meeting the reporting deadline. NHRS representatives are available to assist employers if extenuating circumstances prevent timely payment of contributions. Please contact NHRS immediately in the event of such circumstances. Both the ERS phone helpline (271-3351, extension 285) and email helpline (ershelp@nhrs.state.nh.us) are available for employers who need assistance.